

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
Transcriber's Office  
FLOOR DEBATE

January 31, 2006 LB 75

SENATOR BEUTLER: ...long-term return, and that's what's going to maximize the benefit for your community on that sort of thing. The...it may be that in other communities around the state, from time to time, somebody is going to pass away, for example, give a large amount of money to this or that municipality or school district. And if they give it to the public entity itself, as opposed to giving it to a foundation that helps that public entity, if they do it that way, and may do it that way for a variety of reasons--maybe they trust the city more than they trust whatever the available foundation is; maybe they like the personalities better--they get a tax deduction in either case. They may choose to give it directly to the public entity and if they do that, the problem is this horrible interest rate penalty that applies, that wouldn't apply if they had given it to a foundation and used the money for the very same uses. So it's an effort to address this very, very narrow area of endowed funds, which almost no public entities have, but if they do, the argument that we would like to make is that they should be treated as long-term investors, and treated a little bit differently, and a different set of rules is what really makes sense.

SENATOR CHAMBERS: So...

SENATOR BEUTLER: And with that, Senator, we're on my time, so I yield to you my time.

SENATOR CHAMBERS: And let's keep...if you'll keep on your feet so we can discuss it, then.

SENATOR BEUTLER: Okay.

SENATOR CHAMBERS: You are not talking in this amendment, if I understand you, and I may be mistaken...well, let me say it a different way.

SENATOR BEUTLER: Okay.

SENATOR CHAMBERS: What this would do is allow this public endowment money to be invested in a way different from what is allowed under the constitution, because of that language which